

COMPARISON OF PRINCIPAL PROVISIONS OF THE
U. S. CIVIL SERVICE AND CIA RETIREMENT SYSTEMS

ITEM	CIVIL SERVICE RETIREMENT (CSR)	CIA RETIREMENT (CIAR)	COMMENTS
<u>Contributions</u>	Employee - $6\frac{1}{2}\%$ of basic pay Agency - $6\frac{1}{2}\%$ of basic pay	Same	
<u>Annuity Formula</u>	Based on average salary for highest paid consecutive five years ("high-5") and years of creditable service: 1 $1\frac{1}{2}\%$ of high-5 x 1st 5 years +1 $3\frac{3}{4}\%$ of high-5 x 2nd 5 years +2% of high-5 x remaining years	Based on average salary for highest paid consecutive five years ("high-5") and years of creditable service: 2% high-5 x total service	CIAR annuity is 3.75% of the high-5 average salary <u>more</u> than annuity computed under the CSR formula.
<u>Reduction for Age</u>	1% of annuity for each year under age 60 to age 55, and 2% of annuity for each year below age 55. No reduction for disability retirement.	None	A substantial reduction in CSR, e.g., 15% at age 50. <u>No reduction</u> in CIAR.

COMPARISON OF PRINCIPAL PROVISIONS OF THE
U. S. CIVIL SERVICE AND CIA RETIREMENT SYSTEMS

ITEM	CIVIL SERVICE RETIREMENT (CSR)	CIA RETIREMENT (CIAR)	COMMENTS
<u>Optional Retirement</u>	Age 60 with 30 years service. Age 62 with 5 years service. Age 55 with 30 years service, but earned annuity reduced by 5%.	Age 50, upon application and with consent of DCI, with 20 years service, including 10 years CIA service of which 5 years are qualifying	CIAR permits volun- tary retirement <u>without reduction</u> <u>in annuity 10 years</u> <u>earlier</u> than CSR.
<u>Involuntary Retirement</u>	Any age with 25 years service. Age 50 with 20 years service. Earned annuity reduced pro- portionately for years under age 60.	Same except with no reduction for years of age under 60.	CIAR has no penalty reduction for age.
<u>Disability Retirement</u>	Any age with 5 years service. Minimum annuity guaranteed: Lesser of (1) 40% of high-5 <u>or</u> (2) annuity computed by extending service to age 60.	Same	

COMPARISON OF PRINCIPAL PROVISIONS OF THE
U. S. CIVIL SERVICE AND CIA RETIREMENT SYSTEMS

ITEM	CIVIL SERVICE RETIREMENT (CSR)	CIA RETIREMENT (CIAR)	COMMENTS
<u>Mandatory Retirement</u>	Age 70 with 15 years service. (Not generally applicable to CIA employees under current Agency retirement policy).	GS-18 and above: Age 65. GS-17 and below: Age 60. Either group must have 5 years of Agency service.	The DCI may extend a participant's service for a period not to exceed 5 years under CIAR.
<u>Survivor Annuity to Spouse</u>	<p>Reduction to provide annuity for surviving spouse: If retiring employee elects such survivor annuity, his basic annuity (or lesser base if he chooses) is reduced $2\frac{1}{2}\%$ of first \$3,600 plus 10% of balance.</p> <p>Amount of spouse's annuity: 55% of all or whatever part of retiring employee's earned annuity he specifies as the base.</p> <p>Termination of spouse's annuity: Death or remarriage.</p>	<p>Same</p> <p>Same</p> <p>Same</p>	Larger annuity provided for spouse under CIAR than CSR for same number of years service.

COMPARISON OF PRINCIPAL PROVISIONS OF THE
U. S. CIVIL SERVICE AND CIA RETIREMENT SYSTEMS

ITEM	CIVIL SERVICE RETIREMENT (CSR)	CIA RETIREMENT (CIAR)	COMMENTS
<u>Survivor Annuity to Child</u>	Annuity provided for each unmarried child up to age 18, or over age 18 if incapable of self support, or to age 21 if full-time student. No reduction in retiring employee's annuity.	Same	
<u>Death in Service</u>	<p>Widow or dependent widower receives 55% of deceased employee's earned annuity. Terminates upon death or remarriage or when widower becomes capable of self support.</p> <p>Each surviving child is provided with same type of annuity as that afforded child of deceased annuitant.</p>	<p>Same</p> <p>Same</p>	Larger annuity provided for spouse under CIAR than CSR for same number of years service.

COMPARISON OF PRINCIPAL PROVISIONS OF THE
U. S. CIVIL SERVICE AND CIA RETIREMENT SYSTEMS

ITEM	CIVIL SERVICE RETIREMENT (CSR)	CIA RETIREMENT (CIAR)	COMMENTS
<u>Disposition of Contributions</u>	If an employee or retiree dies, any contributions to the fund (plus any interest) not returned in annuity are paid in lump sum to his beneficiary. Likewise if a separated employee dies, his contributions (plus any interest) are payable to his beneficiary.	Same	
<u>Cost-of-Living Adjustments</u>	Effective 1 April of any year, upon price index rise of at least 3%, annuities which began earlier than 2 January of pre- ceding year will be increased by an equivalent percentage.	Same	